

Message Text

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ORIGIN OES-07

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E.O. 11652: GDS

TAGS: PFOR, MNUC, ENRG, UK

SUBJECT: SALE OF RESEARCH REACTORS AND HIGHLY-ENRICHED
URANIUM

1. UK COUNSELOR REEVE AND FIRST SECRETARY PAKENHAM CAME
IN TO SEE DEPUTY ASSISTANT SECRETARY NOSENZO (OES) CON-
CERNING US AND UK POLICIES ON SALE OF RESEARCH REACTORS
AND HIGHLY-ENRICHED URANIUM (HEU). REEVE INDICATED THAT
UK POLICY WAS NOT TO SELL REACTORS UTILIZING GREATER THAN
20 PERCENT HEU AND THAT THEY WOULD ONLY MAKE SUCH SALES TO
NPT PARTIES. REEVE SAID THERE WAS SOME CONFUSION IN FCO
CONCERNING US POLICY AND, THEREFORE, WISHED CLARIFICATION.

2. NOSENZO SAID THAT US POLICY WAS TO MINIMIZE USE AND
STORAGE OF WEAPONS-USEABLE MATERIAL SUCH AS HEU. POLICY
DECISIONS TAKEN IN APRIL 1977 HAD FOLLOWING ELEMENTS: (1)
US WOULD CONTINUE TO MEET EXISTING COMMITMENTS FOR HEU BUT
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WOULD ENCOURAGE RECIPIENTS TO CONVERT TO USE OF ENRICH-
MENTS BELOW 20 PERCENT WHERE TECHNICALLY AND ECONOMICALLY
FEASIBLE. US HAD ASKED ALL ITS CUSTOMERS FOR PERTINENT
TECHNICAL INFORMATION AND IS WORKING WITH KEY FABRICATORS
IN US AND ABROAD TO DEVELOP A SUITABLE LEU OR INTERMEDIATE
ENRICHED (I.E., 35 PERCENT TO 45 PERCENT U-235) FUEL FOR

MANY OF THESE RESEARCH APPLICATIONS; (2) US WAS ATTEMPT-
ING TO MAINTAIN LOW INVENTORIES OF UNIRRADIATED HEU OUT-
SIDE OF REACTORS (I.E., BELOW 15 KGS. UNIRRADIATED U-235)
AND THAT CURRENT POLICY REQUIRED PRESIDENTIAL APPROVAL OF
ANY HEU EXPORTS OVER 15 KGS. OF U-235. THE INTENT HERE
WAS TO MINIMIZE THE PROLIFERATION RISK AS WELL AS THE RISK
FROM TERRORISTS AND TO ENSURE PRESIDENTIAL APPROVAL OF
HEU EXPORTS OF SIGNIFICANCE FROM A NUCLEAR WEAPONS STAND-
POINT; AND, (3) THE US WOULD MAKE NEW COMMITMENTS FOR RE-
SEARCH REACTORS UTILIZING HEU ONLY IN CASES OF EXCEPTIONAL
MERIT. WHILE THIS CRITERION HAD NOT BEEN MORE SPECIFI-
CALLY DEFINED, THE INTENT WAS CLEARLY THAT IT BE QUITE RE-
STRICTIVE. (NO SUCH COMMITMENTS HAVE BEEN MADE SINCE THE
HEU POLICY WAS ADOPTED.)

3. WITH REGARD TO APPLICABLE REQUIREMENTS, NOSENZO SAID
THAT THE ONLY REQUIREMENT UNDER US LAW WAS THAT NNWS RE-
CIPIENT STATES HAVE ALL NUCLEAR ACTIVITIES UNDER IAEA
SAFEGUARDS. HOWEVER, US PRACTICE HAS BEEN TO STRONGLY EN-
COURAGE COUNTRIES TO ADHERE TO THE NPT AND PENDING SUCH
ADHERENCE ACCEPT FULL-SCOPE SAFEGUARDS WITH REGARD TO NEW
AGREEMENTS FOR COOPERATION. REEVE NOTED THAT THIS REPRE-
SENTS A DIFFERENCE IN POLICY BETWEEN US AND UK. NOSENZO
POINTED OUT WHILE NEW LANGUAGE BEING SUGGESTED BY US IN
NUCLEAR SUPPLIERS WOULD PROVIDE FOR STRINGENT CONDITIONS
ON FURTHER SUPPLY OF HEU, AND THAT THERE SEEMED TO BE SUP-
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PORT BY KEY SUPPLIERS FOR THIS APPROACH, THERE WAS STILL
NO CONSENSUS ON FULL-SCOPE SAFEGUARDS; THUS, THE US POLICY
WENT FURTHER THAN THE UK COULD EXPECT EITHER FRANCE OR THE
FRG TO AGREE TO AT THIS POINT. IN RESPONSE TO A QUESTION
AS TO WHETHER THERE WAS PARTICULAR CUSTOMER OF CONCERN TO
UK, REEVE SAID THEY WERE DISCUSSION POSSIBLE RESEARCH RE-
ACTOR SALE TO ALGERIA. AS FINAL POINT, NOSENZO NOTED THAT
US WOULD CLEARLY NOT UNDERCUT UK IN SEEKING NPT ADHERENCE
AND PERHAPS UK MIGHT WISH TO APPROACH THE US ON ANY SPECI-
FIC CASES OF CONCERN. VANCE

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